

C: APPLICATION COVER SHEET

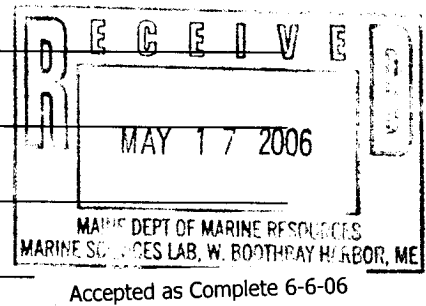
Name: Maine Cultured Mussels, Inc. and Erick Spencer Swanson dba Mussel Bound Farms

Address: PO Box 224

City: Mount Desert

County: Hancock

State, zip: Maine 04660



Telephone: business _____ home 207 244 0750 cell 266 1250

Email address: tisf@downeast.net

Date of Pre-application meeting: November 21, 2005

	<u>town</u>	<u>county</u>	<u>waterbody</u>
Location of lease site:	<u>Blue Hill</u>	<u>Hancock</u>	<u>Blue Hill Bay</u>

Total acreage requested: 51.42 acres
(100-acre maximum)

Lease Term requested: 10
(10-year maximum)

Name of species to be cultivated, common and scientific names:

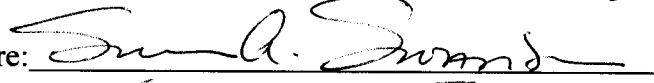
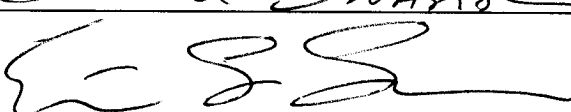
Blue Mussel (*Mytilus edulis*)

Name and address of the source of seed stock, juveniles, smolts, etc., to be cultivated:

Collection of mussel spat on the lease or from other locations on Blue Hill Bay

\$1000 application fee enclosed: yes

I hereby state that the information included in this application is true and correct and that I have read and understand the requirements of the Department's rules governing aquaculture.

Signature:  Date: 5/2/06
 5/2/06

D. APPLICATION INFORMATION REQUIREMENTS

Answer all questions under each Section as completely as possible.

This application includes questions on general information, site location, site development, operation, environmental characterization, area resources, surrounding area use, technical capabilities, financial capabilities, and a list of certifications, licenses, etc.

Definitions from the MDMR Aquaculture Lease Regulations:

Aquaculture: The culture or husbandry of marine organisms by any person. Storage or any other form of impounding or holding wild marine organisms, without more, shall not qualify as aquaculture. In order to qualify as aquaculture, a project must involve affirmative action by the lessee to improve the growth rate or quality of the marine organism.

Culture or Husbandry: The production, development or improvement of a marine organism.

Riparian Owner: A shorefront property owner whose property boundaries are within 1000 feet of the proposed lease boundaries.

Existing or Potential Uses: All water-related activities and resources including, but not limited to, commercial and recreation fisheries, marine transportation, aquaculture, and boating.

Adverse Effects: Impediments to water-related activities or unreasonable interference with natural processes supporting those activities. This includes, but is not limited to, floating or submerged obstruction, habitat destruction, natural flora and fauna displacement, current flow alteration, and lowered water quality.

Please read all instructions before completing. Applications must be typed and **reproducible**. Please use 8 1/2" x 11" paper with a 3/4" margin at the top; **use the numbering system listed for each item requested**. All drawings, charts and plans must adequately show the proposed project. It is recommended that any plans, drafts, charts, etc., be certified by a professional engineer.

1. SITE LOCATION

a. Vicinity Map

Use a NOAA chart or USGS Topographic map to show the waters and shorelands within the general vicinity of the lease tracts depicting the lease area.

b. Plan View

An enlargement of a NOAA chart or USGS Topographic map is suggested to provide this information. Exact location of lease described as follows:

See attachment A for 1-6a

1. Mark entire lease boundary.
2. Show depth contours and indicate mean low water and mean high water on all land adjacent or nearest site.
3. Show primary ebb and flood directions.
4. Mark true north with arrow.
5. Include scale used.
- 6a. Label the location of Federal projects, navigational channels, any structures, existing aquaculture leases within 2000 feet or state or federal beaches, parks or docking facilities within 1000 feet.
6. Provide the latitude, longitude and State Plane Coordinates for each corner of the entire lease or the metes and bounds of the lease.

Datum WGS 84, in minutes and seconds

NW - 44 20 52.0 N 68 29 05.0 W then 1600 feet at 79 True to
NE - 44 20 55.034 68 28 43.366W then 1400 feet at 169 True to
SE - 44 20 41.463N 68 28 39.690 W then 1600 feet at 259 True to
SW - 44 20 38.449 N 68 29 01.304 W then 1400 feet at 349 True to
Corner

State Plane Coordinates

NW 19T 541070 4910631

NE 19T 541548 4910727

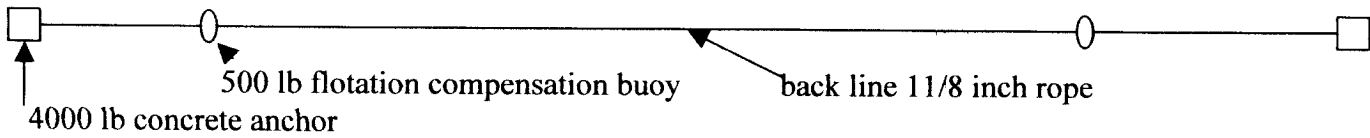
SE 19T 541632 4910308

SW 19T 541154 4910212

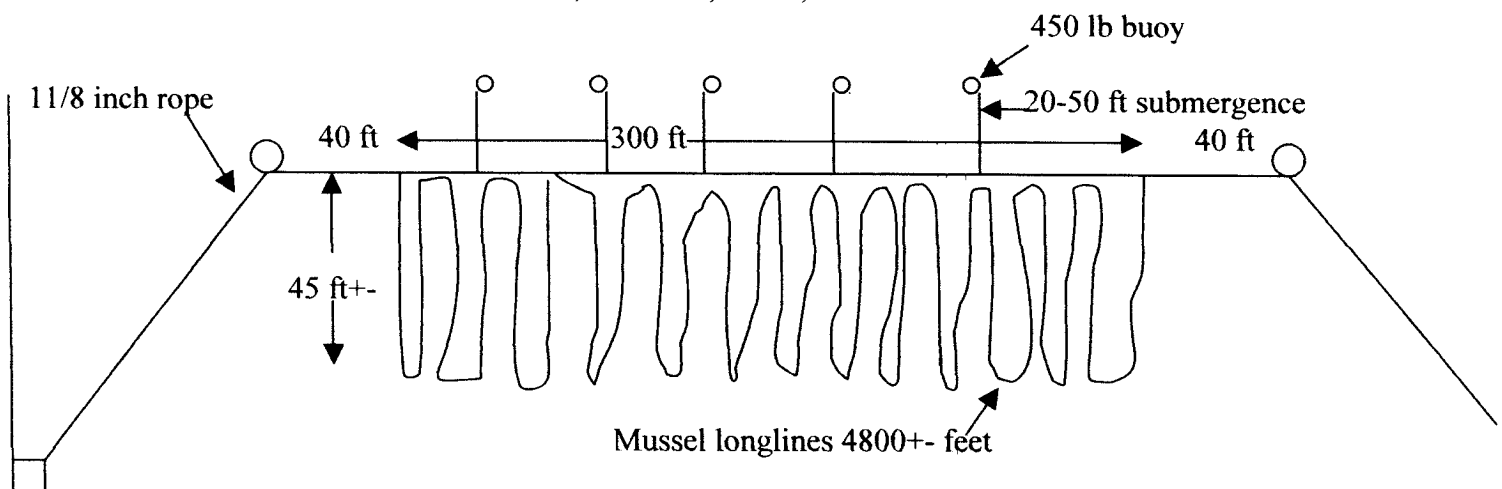
2. SITE DEVELOPMENT

This section is intended to provide accurate plans depicting the physical structures to be placed on the proposed operation.

- a. Single Structure Schematic - Top View
Provide dimensions, materials, labels, etc.



- b. Single Structure Schematic - Cross Section
Provide dimensions, materials, labels, etc.



- c. Maximum Structure Schematic - Top View
Provide dimensions, mooring connections, labels, etc.

N/A no surface structures

- d. Maximum Structure Schematic - Cross Section
Provide dimensions, mooring connections, labels, etc.

N/A no surface structures

- e. On-Site Support Structures

1. Describe structures such as barges, sheds, etc., to be located on-site. Provide a schematic and indicate the dimensions, including height above sea level, materials, etc.

N/A no on-site support structures

2. Describe the storage and use of oil, gasoline or other hazardous material on this facility. If petroleum products are to be used, provide a spill prevention plan.

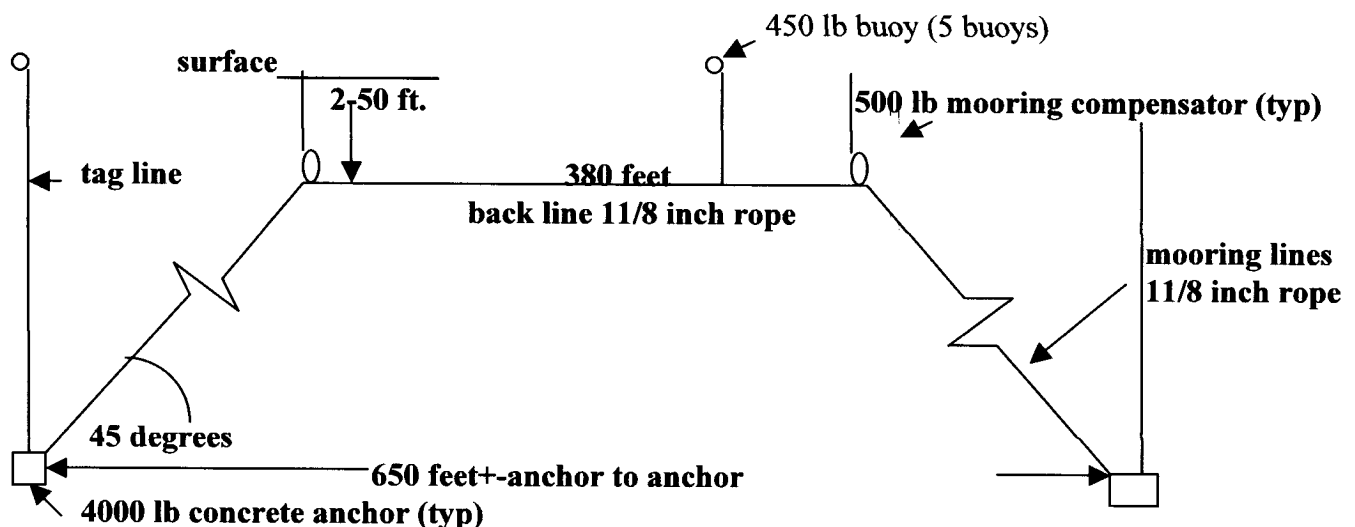
N/A No on-site storage

3. Describe the type and location of any sanitary facility.

Sanitary facility will be provided on service/harvest vessels.

f. Mooring Plan - Cross Section

Provide a schematic and description of materials of the mooring system in place on the sea-floor. Include depths from structure(s) to sea-floor relative to MLW and MHW.



water depth varies from 90 ft. to 130 ft.

45 degree mooring angle is 1.6:1 scope

16 inch dia. Marker buoys on surface show tag lines, primary flotation is 450 lb flotation buoys (5)

Mooring compensators provide 500 lb.+ flotation

For spat collection the back line will be approx 2 feet from surface from mid June to late July and marked with 16 inch buoys every 25 feet.

Spat collection lines otherwise submerged 20 feet below surface

Growout lines will be 20-50 feet below the surface.

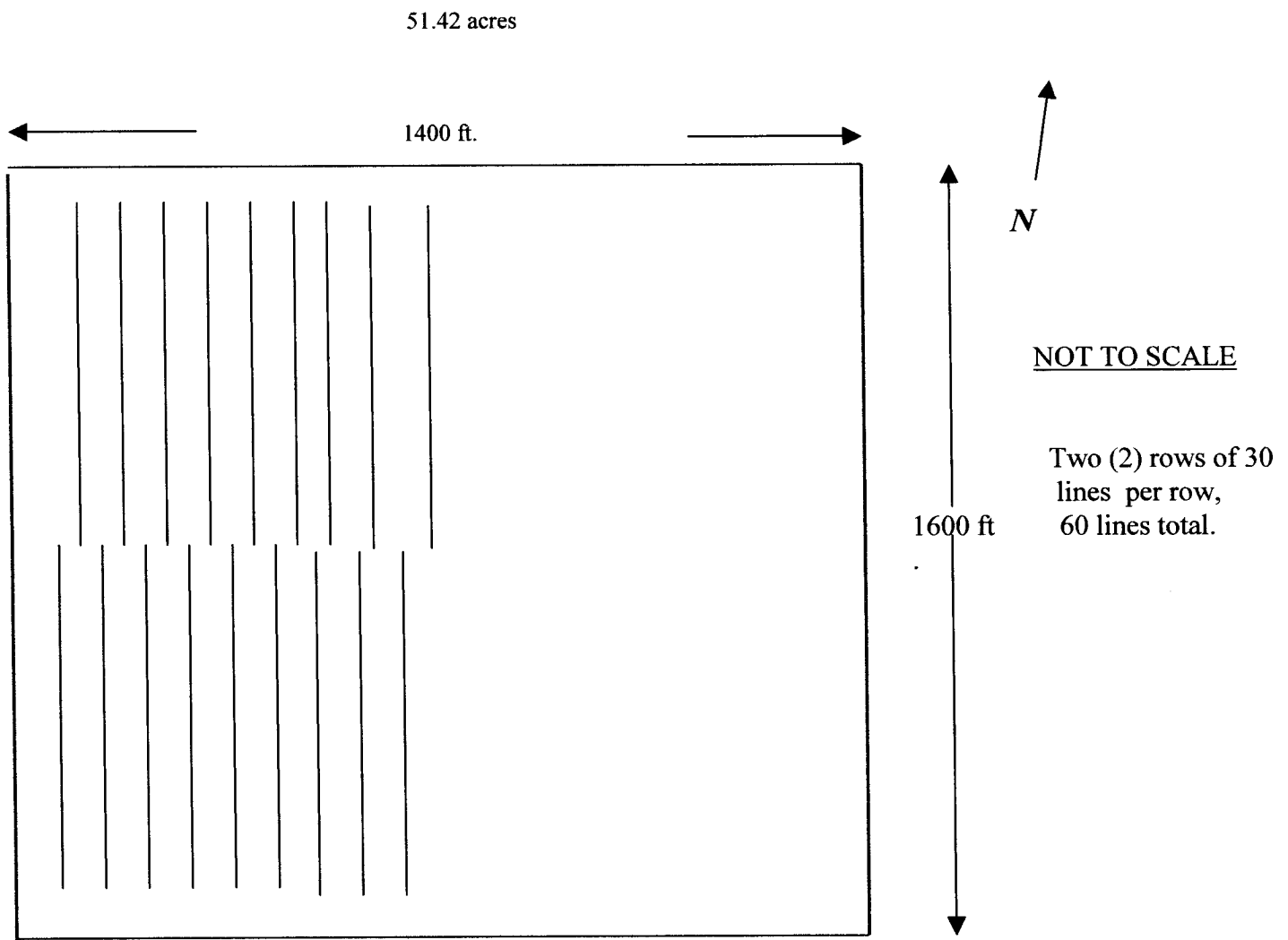
g. Mooring System Adequacy

Provide a schematic of the mooring array for a structure(s) and a description of its ability to withstand severe storms, surge, equipment break-up, etc. Include dimensions and materials, etc.

There are no surface structures, only flotation buoys and Anchors tag line buoys and therefore no mooring system array or equipment to break up. The submerged longline system described above has been successfully tested at the Open Ocean Aquaculture Project at the University of New Hampshire in open ocean conditions, subject to 30 foot seas and sever weather conditions, conditions farm more severe than the proposed Long Island site will experience.

Section 2f. preceding completely describes the system.

- h. Structure(s) and Mooring Array Schematic - Maximum Structure Array
Provide a schematic of the maximum area to be utilized by structure(s) and moorings on the proposed lease.



- i. Equipment Layout
Provide schematic or photographic renderings of the generalized layout of the equipment as depicted from two vantage points on the water. Provide the locations of the two vantage points.

There are no surface structures.

Only marker buoys not larger than 16 inch and 45 gallon primary flotation buoys and clusters of 6 sixteen inch flotation buoys will be visible.

j. Gear Color

Provide the color of the gear and structures proposed to be used at the lease site.

Surface spat collection lines, if deployed at the proposed lease site, will be marked with individual yellow 16 inch buoys every 30 to 50 feet. The back line of submerged longlines for growout of socked mussels will be a minimum of 15 feet below the surface and marked with blue 45 gallon flotation buoys or clusters of 6 yellow 16 inch buoys.

Tag lines for setting anchor positions will be 16 inch yellow, blue or red buoys.

3. OPERATIONS

a. Production Activities

1. List and describe your proposed activities including boat traffic, routine schedules, cultivation techniques, monitoring schedule, transport schedule, predator control methods, (net) cleaning and maintenance (methods, frequency and location), harvest schedule, harvest technique and processing methods.

The site will be serviced initially with the 36 ft service barge now used by Maine Cultured Mussels. No equipment or vessels will be moored at the site. Servicing consist of raising the back line to the surface and hanging it over two star wheels on the port side of the service vessel. The vessel can then power itself forward or aft using the star wheels to position itself on the back line. Spat collection and grow out is on continuous ropes suspended from the back line. The grow ropes hang in loops about 45 feet deep (90 feet long). Harvesting spat or market mussels from the grow ropes, socking seed mussels on the grow lines and/or adding additional flotation to the back line to offset the weight of the mussels can then be accomplished.

Harvest takes place two or three days per week all year. Market mussels are stripped from the grow ropes and transported to a processing barge off site. Processing consist of declumping, debysing, washing and grading the mussels. The cleaned product is then transported to a shore based facility for bagging and delivery to market.

Seed mussels stripped from the spat collection lines are declumped and graded prior to socking on the grow ropes.

In the event that predators such as starfish are found in significant numbers on the mussels, the common practice is to strip the mussels from the grow lines, declump and grade them and in the process the starfish and other parasites fall off, and re-sock them back on the grow ropes in a continuous operation.

2. Describe the start-up and projected maximum production on a 12-month basis. Also state the maximum stocking density.

Grow lines will be installed on the lease in the summer/fall and socked with seed gathered on the Hardwood Island site. Harvesting will begin in Oct. and annual production is anticipated to be approximately 300,000 to 450,000,000 pounds annually. The lesser number is assuming spat collection for this site will occur on site rather than from the Hardwood Island site, reducing the number of grow lines.

3. Provide documentation that the equipment that will be used on the lease site is the best available technology for the proposed activity.

The technology has been developed by the Cooperative Institute for New England Mariculture and Fisheries' Open Ocean Aquaculture project at the University of New Hampshire.

b. Noise and Light

1. Provide the type of powered equipment, if any, that will be used on site, including, but not limited to boats, barges, power washers, generators, upweller motors, harvesting or seeding equipment, and feeding equipment. Vessels moving to and from the site are considered exempt from the noise impact consideration.

There will not be any moored or site specific vessels or barges at the site. The service vessel will be a 36 ft steel barge now deployed in servicing the Maine Cultured Mussel sites at Hardwood Island and Tinker Island. A fishing type vessels in the 45 ft range is anticipated to be deployed in assisting in servicing this lease.

2. Indicate generally when, how often and for how long this equipment will be used (i.e. daily, weekly, only during harvesting).

Vessel use on the site for harvesting is expected to be 3 hours two days per week. Servicing the lines is expected to require 30 hours per week. Harvesting and service work will take place 52 weeks per year, weather permitting.

3. Specify what will be used to reduce the noise level from the powered equipment, i.e., mufflers, etc. You do not need to provide decibel or frequency ratings unless they are known or provided by the equipment manufacturer.

Service equipment will operate off of the vessel hydraulic system. The service vessel is equipped with normal engine silencers.

4. Provide the number, type (whether the fixtures are shielded), wattage and location of lights, other than those used for navigation or marking, that will be used at the proposed lease site.

N/A No lights required.

5. Indicate under what circumstances you might work at your site beyond daylight hours.

It would be very unusual to work beyond normal daylight hours. A harvest vessel break-down that would require a late afternoon or evening harvest to meet a product order deadline may require work beyond normal daylight hours.

4. ENVIRONMENTAL CHARACTERIZATION

The MDMR aquaculture lease regulations specify applicants may do more than one site evaluation, but one evaluation must be completed between April 1 and November 15, dates inclusive.

a. **Environmental Characterization**

Provide the environmental evaluation used to select the proposed lease tract(s). Descriptive information shall include but not be limited to: bottom characteristics (include but not limited to sediment types, distribution and topography), resident marine and upland flora and fauna (species are very abundant, common, rare), tide levels, current speed and direction.

The proposed lease site consist of sediment bottom, soft, oxic (light brown in color). Bottom generally flat and featureless with occasional to locally numerous burrows and depressions in bottom. Maximum mid water column current speed is 15 cm/sec with an average speed of 7 cm/sec.. Tidal range is 10.5 feet and flow directions are flood north, ebb south.

No flora observed. Observed organisms are occasional shrimp, rare or occasional sea stars, unidentified fish and eel-like fish, and rock crab (rare).

5. AREA RESOURCES

a. **Shellfish Beds, Fish Migration Routes and Submerged Vegetation Beds**

There are no known currently existing shellfish beds, fish migration routes, or submerged vegetation beds in the immediate vicinity of the proposed site. Old shellfish bed maps do show scallops in the area, however, local divers and scallop fishermen report that these beds were depleted years ago and have never recovered.

Provide the shellfish growing area classification for the area of the proposed lease. The classifications are available at either the town office or from the Public Health Division of DMR. Contact information is available at the DMR website:
www.maine.gov/dmr/rm/public_health

Shellfish growing area classification is open/approved to the harvest of shellfish.

b. **Essential Habitats/Endangered Species**

The proposed lease is within the DPS for Atlantic salmon.

6. SURROUNDING AREA USE

a. Riparian Property

1. Provide a tax map, chart, or topographic map showing the locations of the lease tract(s), the waters, shorelands and general vicinity of the lease tract(s). Property lines must be clearly marked.

See attachment

2. List the names and addresses of every riparian owner of land within 1000 feet of the lease tract(s) and the location of their property marked as shown on the map. The map and list of riparian owners must be certified by the tax collector or clerk of the municipality in which the lease tract is located as being an accurate copy of this information as maintained by the municipality.

See attachment

N/A We believe the lease to be located just over 1000 feet from shore. The riparian owner is _____

3. The written permission of every riparian owner whose land to the low mark will actually be used to access the lease site or upon which the lease activities will take place.

N/A

4. A description of riparian owner's current use of lease site for purposes of access to riparian owned land.

Long Island is under conservation easement. Access is recreational users only on the eastern side of Long Island (facing the proposed lease). Access to the island residents is from the southeastern end and not affected by this lease.

b. Existing Uses

1. Describe the navigational or other uses of the area(s) by type (recreational, commercial), volume, time (seasonal patterns of use), duration (in the vicinity), direction of traffic, amount of activity.

Navigation: Boat traffic is normally light and seasonal.

Commercial fishing: Site is out of the main boat traffic; only limited commercial lobster fishing along inner shore.

Recreation: Recreational use is primarily for sailing, boating and sea-kayaking during summer; no large vessel traffic has been observed.

2. Describe the degree of exclusive use required by the proposed lease and the impact on existing or potential uses of the area.

Because the aquaculture gear is submerged longlines with mussel growing ropes suspended from these lines, there is concern that efforts to fish between these lines

will result in entanglements and dislodging mussels from these lines. For this reason the applicant is applying for deep mud bottom where lobster and/or crab fish has not been observed. Crabs will be attracted to the mussels that fall off of the lines making the area attractive to crab fishing in the future. The applicant request that fishing effort be restricted to outside of the culture area when mussels are growing, As lines are harvested, only the back line will exist eliminating the entanglement problem. Crab fishing may occur within the lease in those areas where the mussels have been harvested. A method of identifying those areas that have been harvested will be developed and made available to those who wish to fish there.

From mid April through late July the west side of the lease may deploy spat collection lines near the surface. These will be clearly marked with yellow buoys. Vessels with keels and prop cages can pass over these lines without difficulty, but sailing vessels and deep draft vessels with open props must avoid these lines.

Once spat fall is over the lines will be submerged 20 feet below the surface and all vessels may safely navigate the area.

7. TECHNICAL CAPABILITY

Provide information regarding professional expertise such as a resume and documentation of technical expertise and practical experience necessary to accomplish the proposed project.

Erick Swanson - will serve as the principal manager of the proposed project and will be responsible for all aspects of the operation of the facility. Mr. Swanson was president of the Penobscot Salmon Company in Franklin, Maine, a vertically integrated salmon farming operation from 1989 to 1991. He sold his interest in that company in 1991 to found Trumpet Island Salmon Farm, Inc., a State of Maine corporation incorporated in 1991.

Mr. Swanson has developed the Maine Cultured Mussel operating plan and technical aspects of adapting submerged longline mussel culture to this area.

8. FINANCIAL CAPABILITY

a. Financial Capability

Provide documentation to prove the applicant has the necessary financial resources for the proposed project. For example, the applicant may provide copies of bank statements or other evidence indicating availability of the unencumbered funds or other proof that equipment and seed stock are available to the applicant. See MDMR Aquaculture Regulations chapter 2.10(3)(9).

The applicant will fund the proposed project. A letter from MCM's bank stating has the financial capacity to complete the project is attached.

b. Cost Estimates

Provide documentation of accurate and complete cost estimates of the proposed aquaculture activities.

The initial 25 grow lines with mussels socked and 15 spat collection lines will have been deployed prior to the hearing for this lease application by Acadia Aquaculture. The culture equipment and

service vessel is owned by the applicant. The cost for the mussel culture equipment deployed on this site is as follows:

4000 lb concrete anchors	120 anchors	\$12,000
Back line and mooring lines	60 lines	22,000
Mussel grow rope/spat lines	60 lines	18,000
Floats	16 inch and 45 gallon	<u>75,000</u>
		\$131,000

Operating cost for Maine Cultured Mussels to bring seed socked to market is \$20,000. Once the seed reaches market size operating costs will be funded from cash flow from weekly harvesting and sales.

c. Other Lease Interests and Multiple Ownership

List all other aquaculture leases held by the applicant or in which the applicant has a financial interest.

One applicant, Maine Cultured Mussels Inc. is owned by Susan Swanson, wife of Erick Swanson. Mr. Swanson is the owner of Trumpet Island Salmon Farm and is in process of transferring the Trumpet Island Salmon Farm, Inc. Hardwood Island lease over to Maine Cultured Mussels. Maine Cultured Mussels Inc. is the lessee on the Tinker Island Lease and we assume will become the lessee on the Hardwood Island Lease.

Spencer Swanson has no existing lease interest.

d. Other Lease Interests and Multiple Ownership Continued

If the applicant is a corporation, submit information as requested under A (Corporate Applicants). If the applicant is in a partnership, submit information as requested under B (Partnership Applicant). MDMR Aquaculture Regulations chapter 2.12(1)-(3).

A. Corporate Applicants

1. The date and State in which Incorporated and a copy of the Articles of Incorporation;

02/17/2005

2. The names, addresses, and titles of all officers;

Susan Swanson, President
PO Box 224
Mount Desert, ME 04660

Chadbourne H.Smith, Clerk/Registered Agent
77 Mount Desert Street
Bar Harbor, ME 04609

3. The names and addresses of all directors;

**Susan Swanson
PO Box 224
Mt. Desert ME 04660**

4. Whether the corporation, or any stockholder, director, or officer had applied for an aquaculture lease for Maine lands in the past, and the outcome or current status of that application or lease;

The applicant Maine Cultured Mussels, Inc. has applied for and had approved a lease off of Tinker Island and is in the process of having the Trumpet Island Salmon Farm Hardwood Island lease transferred to Maine Cultured Mussels. Both leases are actively culturing mussels.

The Clerk, attorney Chadbourn Smith, is also the Clerk for Trumpet Island Salmon Farm, Inc.

5. The names and addresses of all stockholders who own or control at least 5% of the outstanding stock and the percentage of outstanding stock currently owned or controlled by each such stockholder;

Susan Swanson, 54 Lakeside Road, Mt. desert, Maine 04660 100% of all stock.

6. The names and addresses of stockholders, directors, or officers owning an interest, either directly or beneficially, in any other Maine aquaculture leases, as well as the quantity of acreage from existing aquaculture leases attributed to each such person under MDMR Aquaculture Regulations chapter 2.12(3);

N/A

7. Whether the corporation or any officer, director, or shareholder listed in item 5 above has ever been arrested, indicted, convicted of, or adjudicated to be responsible for any violation of any marine resources or environmental protection law, whether state or federal.

no

B. Partnership Applicant

1. The date and state in which the partnership was formed and a copy of either the Certificate of Limited Partnership or documentation of the formation of a General Partnership;
2. The names, addresses, and ownership shares of all partners;

3. Whether the partnership or any partner has applied for an aquaculture lease for Maine lands in the past and the outcome or current status of that application or lease;
4. Whether the partnership or any partner owns an interest, either directly or beneficially, in any other Maine aquaculture leases as well as the quantity of acreage from existing aquaculture leases attributed to the partnership or partner under MDMR Aquaculture Regulations chapter 2.12(3);
5. Whether the partnership or any partner has been arrested, indicted or convicted of or adjudicated to be responsible for any violation or marine resources or environmental protection law, whether State or Federal.

9. OTHER REQUIREMENTS

The following items must accompany the application:

a. **Performance Bond**

A \$5,000 performance bond exist for the Maine Cultured Mussels, Inc. lease

Documentation confirming that the applicant has read MDMR Aquaculture Regulations chapter 2.40 and that upon issuance of a lease by the MDMR the lessee will either open an escrow account or obtain a performance bond determined by the nature of the aquaculture activities proposed as follows -

<u>Lease Category</u>	<u>Amount of Required Escrow or Performance Bond</u>
No structure, no discharge	\$ 500.00
No structure, discharge	\$ 500.00
Structure, no discharge	\$
Total combined area of all structures on lease:	
≤400 square feet	\$1,500.00
>400 square feet	\$5,000.00
Structure, discharge	\$ 25,000.00



*U.S. Army Corps of Engineers New England Division (ACOE)
Supplemental Information*

Revised Standard Siting Requirements and Standard Permit Conditions 01/17/97

A copy of these revised "STANDARD SITING REQUIREMENTS" and "STANDARD PERMIT CONDITIONS", together with other supplemental information required by the ACOE, shall be included with the "Application for Suspended Aquaculture in the State of Maine" submitted to MDMR.

These STANDARD SITING REQUIREMENTS and STANDARD PERMIT CONDITIONS will be fully employed unless a decision to deviate from them is made by the Division Engineer after a meeting between the objecting Federal Resource Agency(s) Regional Director/Administrator and the Division Engineer and/or Commander, U.S. Coast Guard (or the designated acting Director/Administrator/Commander) is held pursuant to the local procedures under the 404Q MOA.

A. STANDARD SITING REQUIREMENTS

1. Structures shall not be located closer than 1000 feet from municipal, State or federally owned beaches, parks or docking facilities.

2. Structures shall not be located closer than 1500 feet from any area designated as high use or critical habitat for any threatened or endangered species protected under Federal law. Examples of such areas include bald eagle nest sites and concentration areas used for roosting and feeding. Because bald eagles are protected under the Federal Endangered Species Act of 1973, permits will not be issued to kill eagles that are preying on fish at aquaculture sites (U.S. Fish and Wildlife, National Marine Fisheries Service).

3. Structures shall not be located in or within 1500 feet of any area named in acts of Congress or presidential proclamations such as national parks, national wilderness areas, national recreation areas, national lakeshores, national natural landmarks, national wildlife refuges, and such areas as may be established under federal law for similar and related purposes.

B. STANDARD PERMIT CONDITIONS

1. Aquaculture operations shall not interfere with breeding, pupping, or sensitive aggregation area of any federally listed marine mammals (Marine Mammal Protection Act of 1972, as amended 16 USC § 1372). Specific species and known sensitive areas and times are available from the Protected Species Coordinator, National Marine Fisheries Service, Habitat and Protected Resources Division, One Blackburn Drive, Gloucester, MA 01930-2298; Telephone (508) 281-9254.

2. The permittee must report any incidental take of marine mammals within 48 hours of the event. For information, contact: Protected Species Coordinator, Habitat and Protected Resources Division, National Marine Fisheries Service, Northeast Region, 1 Blackburn Drive, Gloucester, MA 01930-2298; telephone 508-281-9254.

3. The applicant must report any bird entanglements or kills within 48 hours to the Special Agent, U.S. Fish and Wildlife Service, P.O. Box 7342, Portland, ME 04112; Telephone 207-780-3235. The Migratory Bird Treaty Act (16 U.S.C. 703-712) protects migratory bird species from unauthorized and unregulated taking activities. The Act prohibits, by any means or in any manner, the direct or indirect capture, possession, or destruction of any migratory bird, its nest, its eggs, its young, or any parts thereof. Most bird species that would be found around aquaculture sites are protected by the MBTA, but specific questions can be directed to the Special Agent.

4. The aquaculture facility must be open for inspection by the permitting agency(ies) personnel during working hours. In addition the permittee shall make records available upon request by said agency(ies).

5. If, based on a review of environmental monitoring data, degradation of environmental resources, to include Federal and State water quality standards, is indicated, this permit may be modified, suspended or revoked.

6. Boundary markers around the lease area shall be placed and maintained in accordance with appropriate Coast Guard Regulations. The permittee shall contact the First Coast Guard District, Aids to Navigation Office at 617-223-8338.

7. Except in the surface areas physically occupied by the structures, the permittee shall permit normal fishing and/or recreational and commercial boating activity to occur in the project area.

8. The exact location of the State lease boundary (boundary coordinates) shall be sent by the permittee to the National Ocean Survey, NOAA, ATTN: Director of Charting and Geodetic Services, Rockville, Maryland 20852.

C. SUPPLEMENTAL TO MDMR APPLICATION INFORMATION REQUIREMENTS.

2. SITE LOCATION

b. Plan View

6b. Also, label weirs within 2000 feet and other similar constraints.

See attachment A

c. Aerial photo

Mark the boundary of the lease area with dimensions and true north arrow. The photo must have been taken during the twelve month period prior to the filing of the application and the date on which it was taken must be noted.

See attachment B

4. OPERATIONS

b. Upland Facilities or Holdings

1. Describe shoreside facilities or holdings to be used for various activities including feed transport, processing, etc.

Maine Cultured Mussels rents a shop in Trenton for fabricating equipment, maintenance and repairs, storage etc..

c. Current Operations

1. Describe your existing water-based facilities and operations.

One applicant, Maine Cultured Mussels, Inc. (MCM) has two active mussel leases in Blue Hill Bay, one east of Tinker Island and one east of Hardwood Island, and a processing barge in Great Cove in Bartlett Narrows. MCM has vessel moorings in Bartlett Landing and at Hardwood Island.

7. SURROUNDING AREA USE

b. Existing Uses

2. Provide the name and address of individuals, ie. mooring owners, fishermen, draggers, etc. who actively use the proposed site.

The applicants have been observing the area for several years and have observed an occasional lobster trap and light boat traffic. No active use observed.

c. Point Source Discharge

Describe the location and proximity of the proposed lease to any point source discharges or facilities (sewage treatment plants, seafood processing plants, power plants, industrial facilities, stormwater drains, etc.). The US Coast Guard, local harbormaster or municipal officials may be able to provide this information.

There are no know point source discharges in the area.

10. OTHER REQUIREMENTS

b. Local Approvals

Documentation of approval from the local Harbormaster or other official serving in an equivalent capacity;

Harbormaster approval not required.

c. U.S. Coast Guard

Documentation confirming the applicant has read the regulations listed below and understands that a Private Aid to Navigation Permit will be required. The U.S. Coast Guard may require lighted aids to navigation on net-pen aquaculture structures pursuant to 33 CFR §§2,62,64,66 and 14 USC §§83,84,85. Instructions for obtaining a USCG permit are available from Commander (OAN), 1st Coast Guard District, 408 Atlantic Avenue, Boston, MA 02210-2209 Telephone (617) 223-8338;

The applicants certify that they have read the regulations listed.

d. Seed/Stock Source Confirmation

Documentation confirming the applicant has complied with all State or Federal permit requirements regarding importation, restrictions, transfers (quarantines) or pathological/health inspections which may apply before any marine organism shall be introduced or transported to marine waters within the State of Maine;

The seed source shall be local native mussel spat that settles on the applicants spat collection gear.

e. Other

Copies of any letters or documentation in which you have obtained approval for activities relative to the proposed project.

Maine Cultured Mussels currently has a lease approved for mussel , a copy of which is attached.

11. ANTICIPATED EMPLOYMENT OPPORTUNITY

Describe the anticipated number and type of employment opportunities created by the project at start-up and proposed maximum production.

Anticipated employment at start-up is 4 full time, and at proposed maximum production 6 full time jobs.

**** RETURN APPLICATION AND PLANS TO: US ARMY CORPS OF ENGINEERS, MAINE
PROJECT OFFICE, RR2 BOX 1855, MANCHESTER, MAINE 04351**

**Instructions for preparing a
Department of the Army Permit Application**

Blocks 1 through 4. To be completed by Corps of Engineers.

Block 5. Applicant's Name. Enter the name of the responsible party or parties. If the responsible party is an agency, company, corporation or other organization, indicate the responsible officer and title. If more than one party is associated with the application, please attach a sheet with the necessary information marked **Block 5**.

Maine Cultured Mussels, Inc. Susan Swanson, President
Erick Spencer Swanson dba Mussel Bound Farm

Block 6. Address of Applicant. Please provide the full address of the party or parties responsible for the application. If more space is needed, attach an extra sheet of paper marked **Block 6**.

Maine Cultured Mussels and Mussel Bound Farm

Physical address: 54 Lakeside Road, Mount Desert, Maine.

Mailing address PO Box 224, Mount Desert, Maine 04660

Block 7. Applicant's Telephone Number(s). Please provide the number where you can usually be reached during normal business hours.

207 244 0750

Blocks 8 through 11. To be completed if you choose to have an agent.

Block 8. Authorized Agent's Name and Title. Indicate name of individual or agency, designated by you, to represent you in this process. An agent can be an attorney, builder, contractor, engineer or any other person or organization. *Note:* An agent is not required.

Erick Swanson, general manager

Blocks 9 and 10. Agent's Address and Telephone Number. Please provide the complete mailing address of the agent, along with the telephone number where he/she can be reached during normal business hours.

PO Box 224

Mt. Desert, Maine 04660 phone 207 244 0750

Block 11. Statement of Authorization. To be completed by applicant if an agent is to be employed.

Erick Swanson is hereby authorized to be an agent for Maine Cultured Mussels, Inc and Mussel Bound Farm

Block 12. Proposed Project Name or Title. Please provide name identifying the proposed project (i.e., Landmark Plaza, Burned Hills Subdivision or Edsall Commercial Center).

Mussel Bound Farm

Block 13. Name of Waterbody. Please provide the name of any stream, lake, marsh or other waterway to be directly impacted by the activity. If it is a minor (no name) stream, identify the waterbody the minor stream enters.

Blue Hill Bay

Block 14. Proposed Project Street Address. If the proposed project is located at a site having a street address (not a box number), please enter here. N/A

Block 15. Location of Proposed Project. Enter the county and state where the proposed project is located. If more space is required, please attach a sheet with the necessary information marked **Block 15.**

Hancock County, Maine

Block 16. Other Location Descriptions. If available, provide the Section, Township and Range of the site and/or the latitude and longitude. You may also provide description of the proposed project location, such as lot numbers, tract numbers or you may choose to locate the proposed project site from a known point (such as the right descending bank of Smith Creek, one mile down from the Highway 14 bridge). If a large river or stream, include the river mile of the proposed project site if known.

44 20 38.6 N 68 28 52.6 W

Block 17. Directions to the Site. Provide directions to the site from a known location or landmark. Include highway and street numbers as well as names. Also provide distances from known locations and any other information that would assist in locating the site.

The proposed lease location is 1000 feet east of Long Island, just north of Dunham's Cove, town of Blue Hill

Block 18. Nature of Activity. Describe the overall activity or project. Give appropriate dimensions of structures such as wingwalls, dikes (identify the materials to be used in construction, as well as the methods by which the work is to be done), or excavations (length, width, and height). Indicate whether discharge of dredged or fill material is involved. Also, identify any structure to be constructed on a fill, piles or float supported platforms.

The written descriptions and illustrations are an important part of the application. Please describe, in detail, what you wish to do. If more space is needed, attach an extra sheet of paper marked **Block 18.**

The applicants propose to install submerged longlines for mussel culture. Please see sections 2 a.b. and f. of the DMR application.

Block 19. Proposed Project Purpose. Describe the purpose and need for the proposed project. What will it be used for and why? Also include a brief description of any related activities to be developed as the result of the proposed project. Give the approximate dates you plan to both begin and complete all work

The purpose to produce rope cultured mussels. The facility to be installed in the summer of 2007.

Block 20. Reason(s) for Discharge. If the activity involves the discharge of dredged and/or fill material into a wetland or other waterbody, including the temporary placement of material, explain the specific purpose of the placement of the material (such as erosion control).

No discharge

Block 21. Type(s) of Material Being Discharged and the Amount of Each Type in Cubic Yards.

Describe the material to be discharged and amount of each material to be discharged within Corps jurisdiction. Please be sure this description will agree with your illustrations. Discharge material includes: rock, sand, clay, concrete, etc.

N/A

Block 22. Surface Areas of Wetlands or Other Waters Filled. Describe the area to be filled at each location. Specifically identify the surface areas, or part thereof, to be filled. Also include the means by which the discharge is to be done (backhoe, dragline, etc.). If dredged material is to be discharged on an upland site, identify the site and the steps to be taken (if necessary) to prevent runoff from the dredged material back into the waterbody. If more space is needed, attach an extra sheet of paper marked **Block 22.**

N/A

Block 23. Is Any Portion of the Work Already Complete? Provide any background on any part of the proposed project already completed. Describe the area already developed, structures completed, any dredged or fill material already discharged, the type of material, volume in cubic yards, areas filled, if a wetland or other waterbody (in acres or square feet). If the work was done under an existing Corps permit, identify the authorization if possible.

N/A

The present lease holder, Acadia Aquaculture, owned and operated by the husband of the applicant, is in the process of setting out lines as approved for the Acadia Aquaculture lease.

Block 24. Names and Addresses of Adjoining Property Owners, Lessees, etc. , Whose Property Adjoins the Project Site. List complete names and full mailing address of the adjacent property owners (public and private) lessees, etc., whose property adjoins the waterbody or aquatic site where the work is being proposed so that may be notified of the proposed activity (usually by public notice). If more space is needed, attach an extra sheet of paper marked **Block 24.**

**Bison Free Range
C/o Andy Florian
512 Mount Vernon Rd
Plantsville, Ct 06479**

Information regarding adjacent landowners is usually available through the office of the tax assessor in the county or counties where the project is to be developed.

Block 25. Information about Approvals or Denials by Other Agencies. You may need the approval of other Federal, state or local agencies for your project. Identify any applications you have submitted and

the status, if any (approved or denied) of each application. You need not have obtained all other permits before applying for a Corps permit.

Block 26. Signature of Applicant or Agent. The application must be signed by the owner or other authorized party (agent). This signature shall be an affirmation that the party applying for the permit possesses the requisite property rights to undertake the activity applied for (including compliance with special conditions, mitigation, etc.).

DRAWINGS AND ILLUSTRATIONS

General Information.

Three types of illustrations are needed to properly depict the work to be undertaken. These illustrations or drawings are identified as a **Vicinity Map**, a **Plan View** or a **Typical Cross-Section Map**. Identify each illustration with a figure or attachment number.

Please submit one original, or good quality copy, of all drawings on 8½ x 11 inch plain white paper (tracing paper or film may be substituted). Use the fewest number of sheets necessary for your drawings or illustrations.

Each illustration should identify the project, the applicant, and the type of illustration (vicinity map, plan view or cross section). **While illustrations need not be professional (many small, private project illustrations are prepared by hand), they should be clear, accurate and contain all necessary information.**

*****RETURN APPLICATION AND PLANS TO:

US ARMY CORPS OF ENGINEERS
MAINE PROJECT OFFICE
RR2, BOX 1855
MANCHESTER, MAINE 04351

Public reporting burden for this collection of information is estimated to average 5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Service Directorate of Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302; and to the Office of Management and Budget, Paperwork Reduction Project (0710-0003), Washington, DC 20503. Please DO NOT RETURN your form to either of these addresses. Completed applications must be submitted to the District Engineer having jurisdiction over the location of the proposed activity.

PRIVACY ACT STATEMENT

Authority: 33 USC 401, Section 10; 1413, Section 404. Principal Purpose: These laws require permits authorizing activities in, or affecting, navigable waters of the United States, the discharge of dredged or fill material into waters of the United States, and the transportation of dredged material for the purpose of dumping it into ocean waters. Routine Uses: Information provided on this form will be used in evaluating the application for a permit. Disclosure: Disclosure of requested information is voluntary. If information is not provided, however, the permit application cannot be processed nor can a permit be issued.

One set of original drawings or good reproducible copies which show the location and character of the proposed activity must be attached to this application (see sample drawings and instructions) and be submitted to the District Engineer having jurisdiction over the location of the proposed activity. An application that is not completed in full will be returned.

(ITEMS 1 THRU 4 TO BE FILLED BY THE CORPS)

1. APPLICATION NO.	2. FIELD OFFICE CODE	3. DATE RECEIVED	4. DATE APPLICATION COMPLETED
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(ITEMS BELOW TO BE FILLED BY APPLICANT)

5. APPLICANT'S NAME <i>Mussel Bound Farm</i>	8. AUTHORIZED AGENT'S NAME AND TITLE (an agent is not required) <i>ERICK SWANSON, General Manager</i>
6. APPLICANT'S ADDRESS <i>PO BOX 224, MT. DESERT ME 04660</i>	9. AGENT'S ADDRESS <i>SAME</i>
7. APPLICANT'S PHONE NOS. W/AREA CODE a. Residence b. Business <i>207 244 0750</i>	10. AGENT'S PHONE NOS. W/AREA CODE a. Residence b. Business <i>207 244 0750</i>

11. STATEMENT OF AUTHORIZATION
I hereby authorize, *ERICK SWANSON* to act in my behalf as my agent in the processing of this application and to furnish, upon request, supplemental information in support of this permit application.

Erick Swanson

7/5/08

APPLICANT'S SIGNATURE

DATE

NAME, LOCATION AND DESCRIPTION OF PROJECT OR ACTIVITY

12. PROJECT NAME OR TITLE (see instructions) <i>Mussel Bound Farm</i>	
13. NAME OF WATERBODY, IF KNOWN (if applicable) <i>Blue Hill Bay</i>	14. PROJECT STREET ADDRESS (if applicable) <i>EAST OF Long Island TOWN OF BLUE HILL</i>
15. LOCATION OF PROJECT <i>USA</i> COUNTY <i>ME</i> STATE	

16. OTHER LOCATION DESCRIPTIONS, IF KNOWN, (see instructions)

17. DIRECTIONS TO THE SITE

*1000 FT EAST OF Long Island and
3000 FT North of Durhams Cove*

18. Nature of Activity (Description of project, include all features)

Submerged Longline Mussel Farming

19. Project Purpose (Describe the reason or purpose of the project, see instructions)

Culture Mussels

USE BLOCKS 20-22 IF DREDGED AND/OR FILL MATERIAL IS TO BE DISCHARGED

20. Reason(s) for Discharge

N/A

21. Type(s) of Material Being Discharged and the Amount of Each Type in Cubic Yards

N/A

22. Surface Area in Acres of Wetlands or Other Waters Filled (see instructions)

N/A

23. Is Any Portion of the Work Already Complete? Yes ☐ No ☐ IF YES, DESCRIBE THE COMPLETED WORK

N/A

24. Addresses of Adjoining Property Owners, Lessees, Etc., Whose Property Adjoins the Waterbody (If more than can be entered here, please attach a supplemental list).

Bison Free Range
c/o Andy Florian
512 Mount Vernon Rd.
Plantsville, CT. 06479

25. List of Other Certifications or Approvals/Denials Received from other Federal, State or Local Agencies for Work Described in This Application.

AGENCY	TYPE APPROVAL*	IDENTIFICATION NUMBER	DATE APPLIED	DATE APPROVED	DATE DENIED
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*Would include but is not restricted to zoning, building and flood plain permits

26. Application is hereby made for a permit or permits to authorize the work described in this application. I certify that the information in this application is complete and accurate. I further certify that I possess the authority to undertake the work described herein or am acting as the duly authorized agent of the applicant.

John A. Williams
MAINE CULTURED MUSSELS INC.

5/2/06

[Signature]

5/2/06

SIGNATURE OF APPLICANT

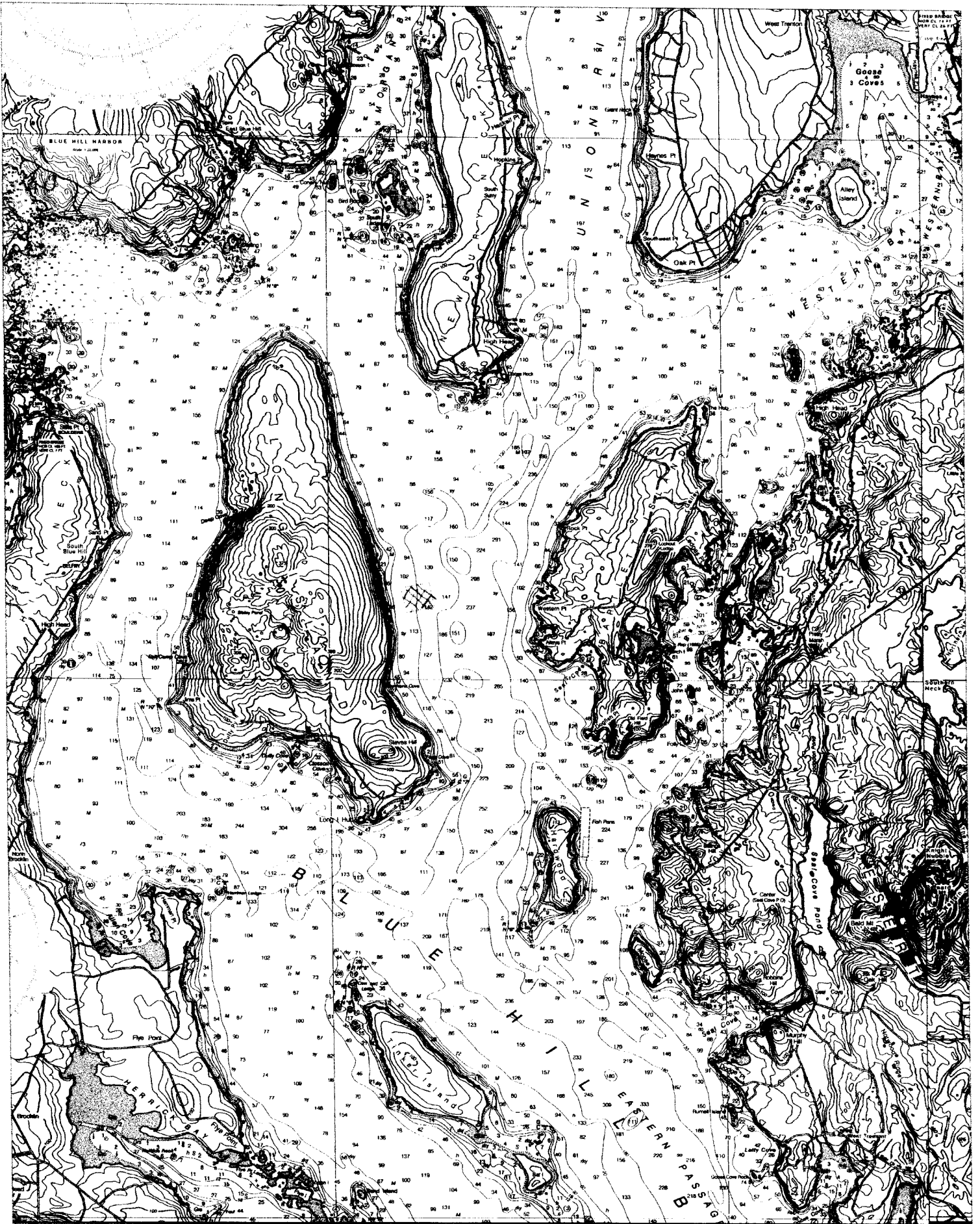
DATE

SIGNATURE OF AGENT

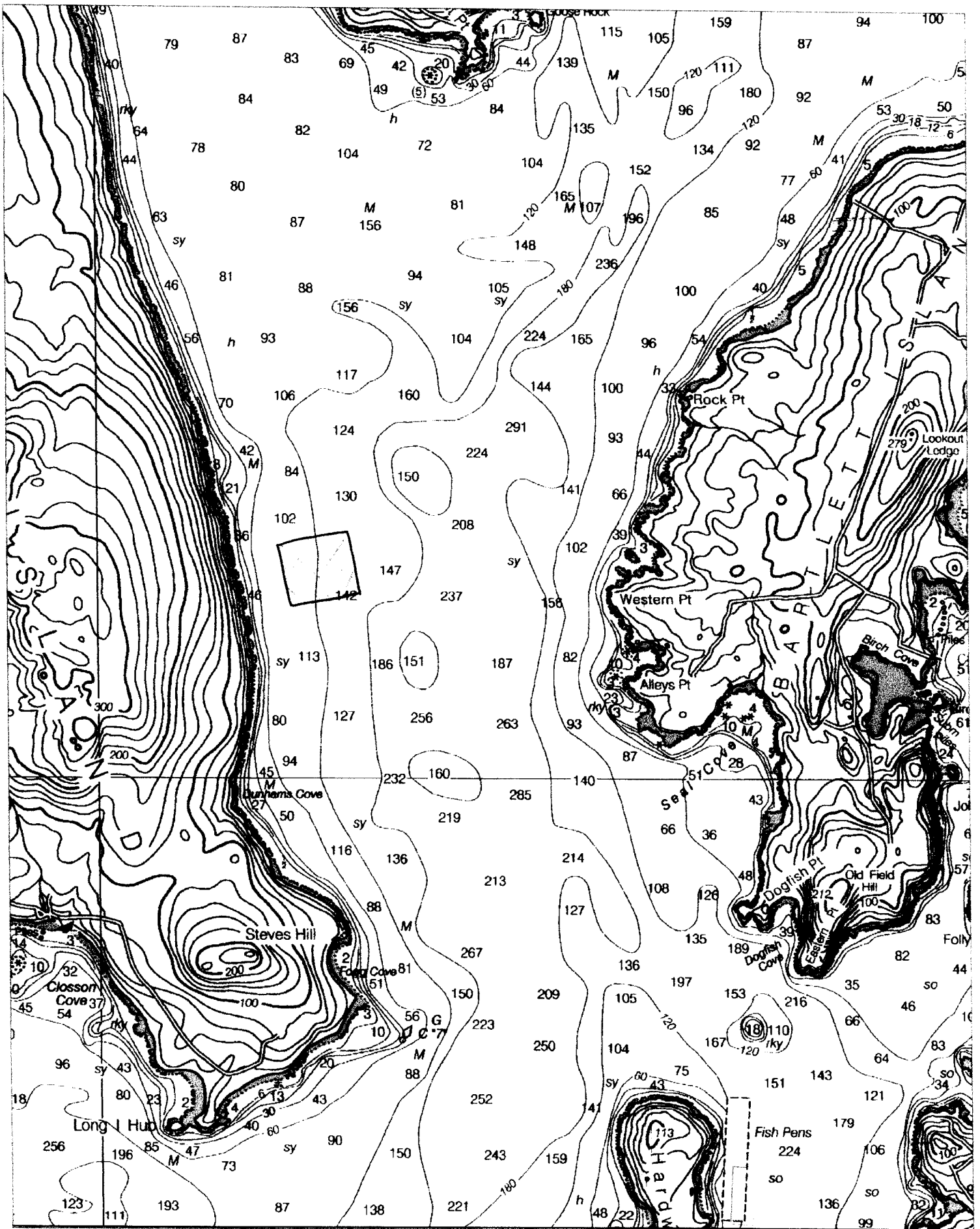
DATE

The application must be signed by the person who desires to undertake the proposed activity (applicant) or it may be signed by a duly authorized agent if the statement in block 11 has been filled out and signed.

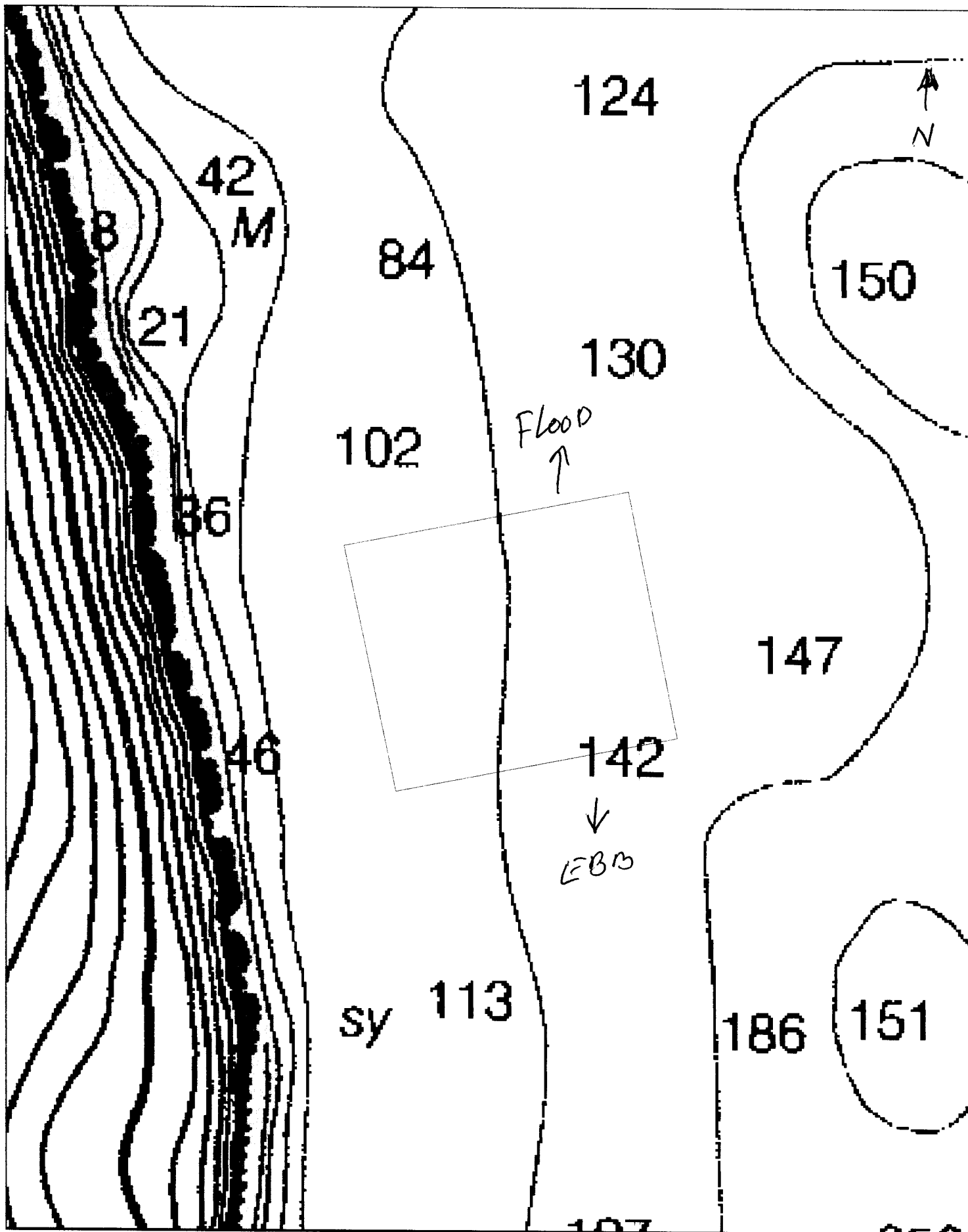
18 U.S.C. Section 1001 provides that: Whoever, in any manner within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals, or covers up any trick, scheme, or disguises a material fact or makes any false, fictitious or fraudulent statements or representations or makes or uses any false writing or document knowing same to contain any false, fictitious or fraudulent statements or entry, shall be fined not more than \$10,000 or imprisoned not more than five years or both.



Maine Cultured Mussels, Inc. and Mussel Bound Farm

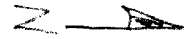


Maine Cultured Mussels, Inc. and Mussel Bound Farm



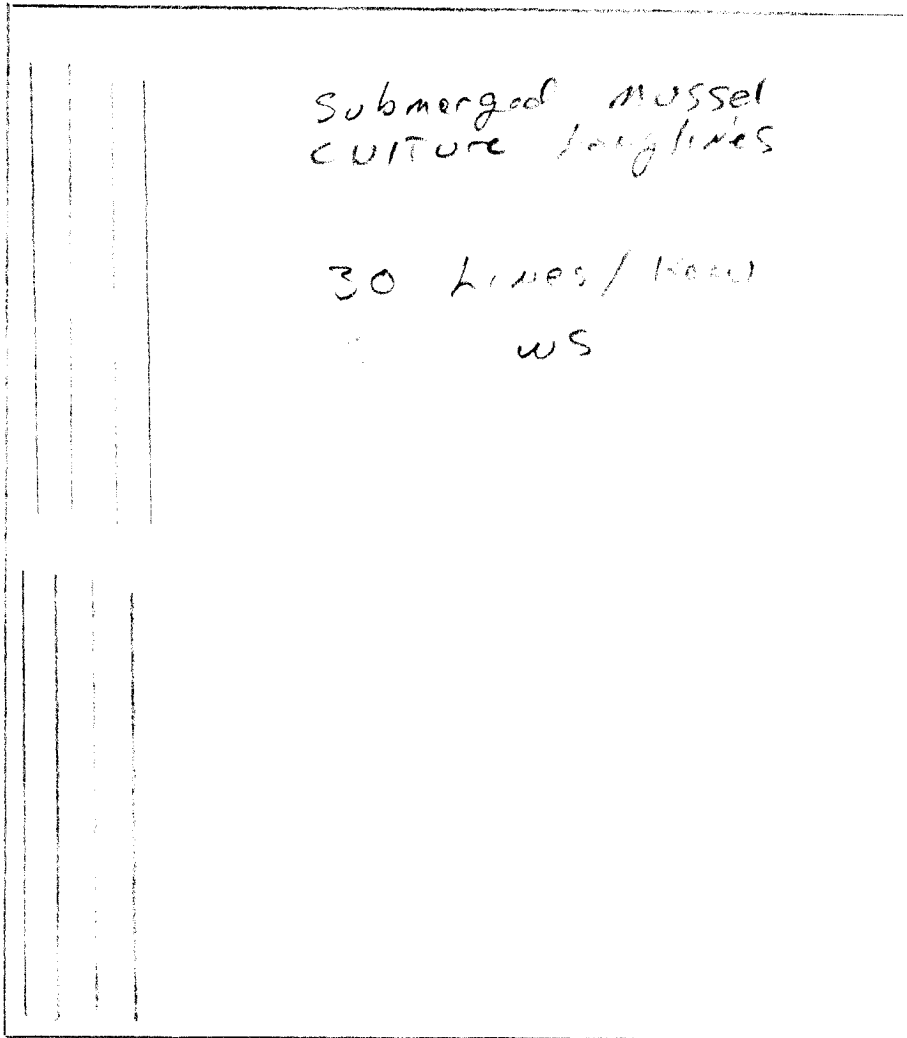
Plan View

ACQUACULTURE LEASE



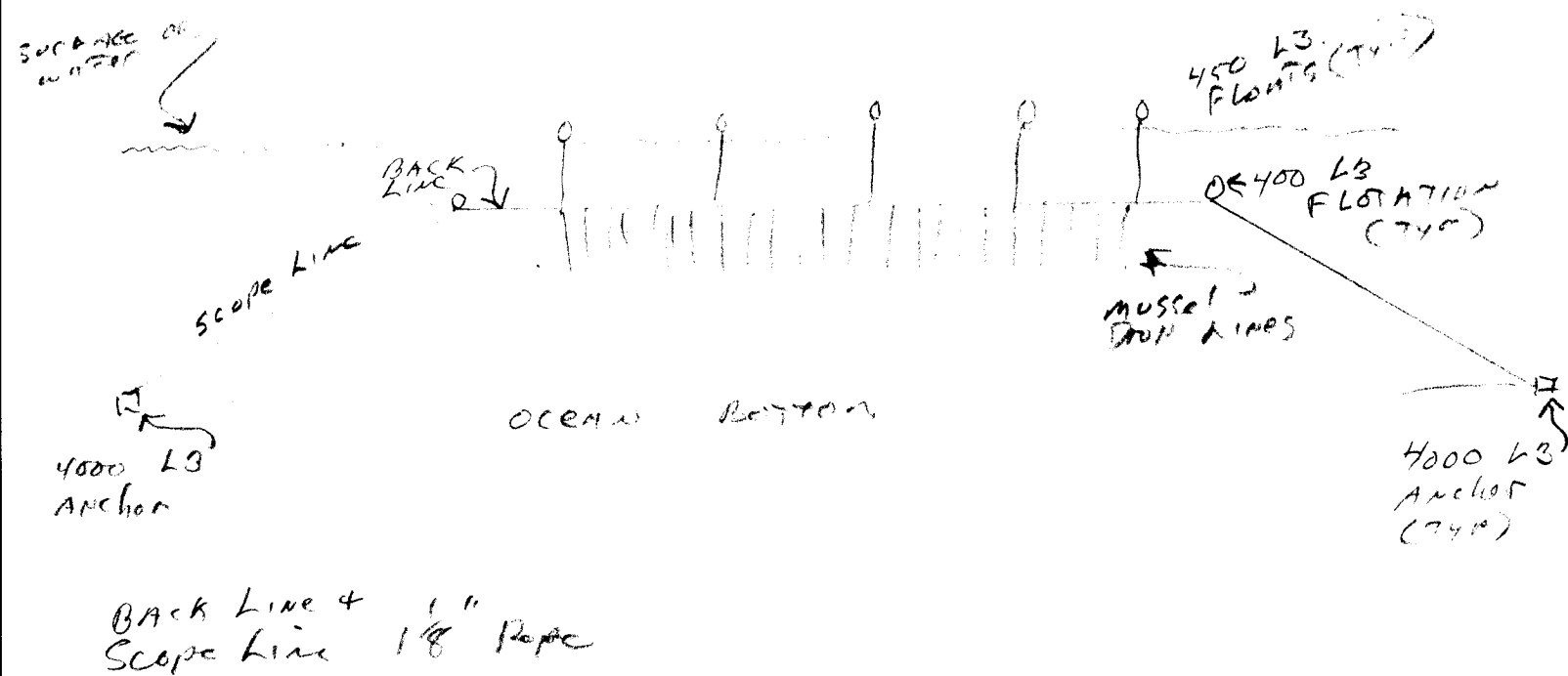
1700 FT

1600 FT



Mussel Bound Farm
Maine Cultured Mussels, Inc. and Spencer Swanson dba Mussel Bound Farm, applicants

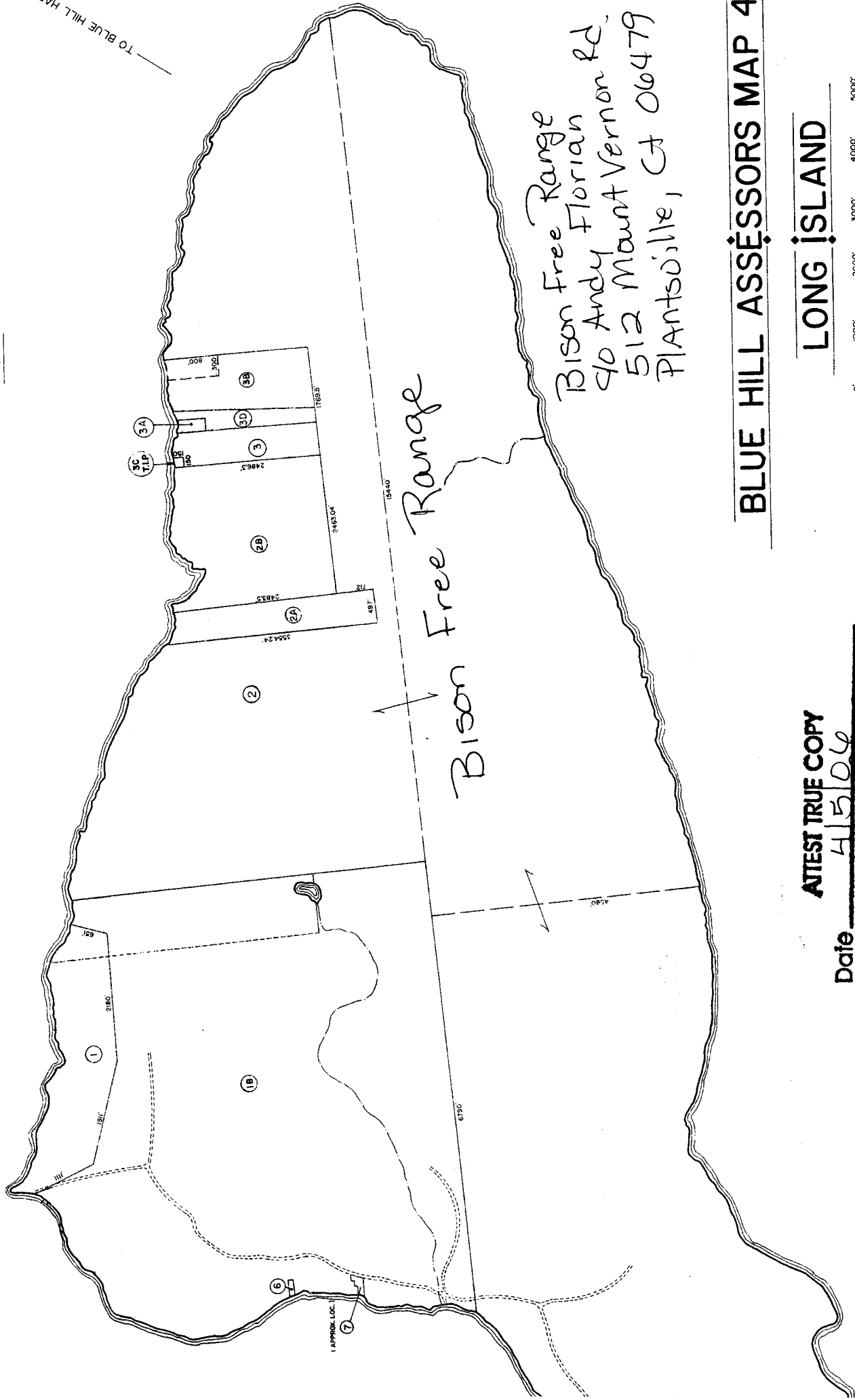
Typical Cross Section



Mussel Bound Farm
Maine Cultured Mussels, Inc. and Spencer Swanson dba Mussel Bound Farm, applicants

BAY

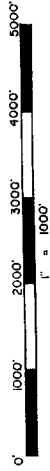
_____ TO BLUE HILL HARBOR



Bison Free Range
40 Andy Florian Rd.
512 Mount Vernon Rd.
Plattsville, Ct 06479

BLUE HILL ASSESSORS MAP 40

LONG ISLAND



NOTE: THIS MAP IS FOR TAX PURPOSES ONLY, NOT FOR CONVEYING.
DRAWN BY SAGE COLLINS R.L.S.

ATTEST TRUE COPY

Date:

4	5	0	6
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Signature E. A. Perkins

APR 01 2005



June 1, 2006

To Whom It May Concern:

In our opinion, Maine Cultured Mussels, Inc. and owner Susan Swanson have the financial capacity to fund the \$131,000 for a cultured mussel operation as outlined in their Long Island lease application under section 8.b.

Sincerely,

A handwritten signature in black ink, appearing to read "Ben M. Ketchen", is written over the typed name.

Benjamin M. Ketchen
Commercial Banking Officer